

**CHAPTER NO. 938**

**SENATE BILL NO. 2372**

**By Graves, Womack**

Substituted for: House Bill No. 2629

By Stamps, McDonald

AN ACT To amend Tennessee Code Annotated, Title 5; Section 5-14-108; Title 6; Title 7; Title 12; Section 49-2-203; Section 54-9-210; Section 54-7-113 and Section 54-9-209, relative to certain bidding and purchasing procedures.

WHEREAS, It is prudent from time to time to examine the language of state statutes to determine if such language permits the employment of technological advances which can bring efficiencies and economies to the operation of state and local government; and

WHEREAS, The bidding and purchasing procedures of state and local government are one such area where efficiencies and economies might be obtained through the use of the Internet in permitting a system of open bids in purchasing procedure; and

WHEREAS, It is fitting and appropriate that the question of permitting an open bid system, including the use of the Internet, be examined by representatives of state and local government and the private sector; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. There is created a task force to study the issue of permitting a system of open bids in the purchasing procedures of municipal, county and state governments, including the use of the Internet as a medium for advertising for and receiving open bids.

SECTION 2. The task force shall consist of ten (10) members, as follows: one (1) member of the House of Representatives and one (1) member of the Senate to be appointed by the respective Speakers; the Commissioner of General Services or his designee; the Comptroller of the Treasury or the Comptroller's designee; the Director of County Audit of the Office of the Comptroller of the Treasury; one (1) person having technical knowledge of information services and the Internet, to be appointed by the Information Systems Council; one (1) person appointed by the Tennessee City Manager's Association; two (2) persons appointed by the Tennessee Association of Public Purchasing, one (1) to be a municipal purchasing officer and one (1) to be a county purchasing officer; and one (1) person from the private sector to be appointed by the Governor.

SECTION 3. The task force shall study the bidding and purchasing processes of municipal, county and state governments and the statutory language establishing such procedures, and shall make recommendations as to whether any or all of such governmental units would benefit from allowing a system of open bids advertised for and received through the medium of the Internet.

The Commissioner of General Services shall convene the first meeting of the task force. At its first meeting the task force shall elect a chair, a vice-chair and such other officers as the task force may find necessary and appropriate.

The Institute for Public Service of the University of Tennessee and the Fiscal Review Committee shall furnish staff assistance to the task force, if requested.


Members of the task force shall serve without compensation, except that any member of the task force who is not a state or local government employee shall be reimbursed for all travel expenses incurred as a result of his or her duties with the task force in accordance with the provisions of the Comprehensive Travel Regulations promulgated by the Department of Finance and Administration and approved by the Attorney General.

The task force shall report its findings and recommendations to the Chairs of the Commerce Committees, the Finance, Ways and Means Committees and the State and Local Government Committees of the Senate and House of Representatives of the General Assembly no later than February 1, 1999, at which time the task force shall cease to exist.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED:**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this day of 1998**

  
DON SUNDQUIST, GOVERNOR